



## **SURFACE TRANSPORTATION BOARD**

**[Docket No. FD 36592]**

### **Charlotte Western Railroad, LLC—Change in Operator Exemption—Piedmont & Northern Railroad, LLC**

Charlotte Western Railroad, LLC (CWRR), a noncarrier, has filed a verified notice of exemption pursuant to 49 CFR 1150.31 to assume operation of approximately 13.04 miles of rail line extending from milepost SFC 11.39 at Mt. Holly to milepost SFC 23.0 at Gastonia, including the Belmont Spur extending from milepost SFF 0.13/SFC 13.6 at Mt. Holly to milepost SFF 1.56 at or near Belmont (collectively, the Line), all in Gaston County, N.C. The North Carolina Department of Transportation (NCDOT) owns the Line, and Piedmont and Northern Railroad, LLC (PNRW), currently operates the Line under a lease with NCDOT (the Lease) and has done so since 2017.<sup>1</sup>

According to the verified notice, CWRR has entered into an agreement with PNRW—with NCDOT’s consent—under which PNRW will assign its rights and obligations under the Lease to operate the Line to CWRR, and CWRR will commence common carrier operations over the Line in place of PNRW. Based on projected annual revenues for the Line, CWRR expects to become a Class III rail carrier after consummation of the proposed transaction.

This transaction is related to a concurrently filed verified notice in OPSEU Pension Plan Trust Fund, Jaguar Transport Holdings, LLC, & Jaguar Rail Holdings, LLC—Continuance in Control Exemption—Charlotte Western Railroad, LLC, Docket No. FD 36593, in which the filings parties seek to continue in control of CWRR upon CWRR’s becoming a Class III rail carrier.

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<sup>1</sup> See Piedmont & N. R.R.—Change in Operator Exemption—Piedmont Ry., FD 36120 (STB served June 16, 2017).

As required under 49 CFR 1150.33(h)(1), CWRR certifies in its verified notice that the proposed change of operator on the Line does not involve, and the Lease between NCDOT and PNRW does not include, any provision or agreement that may limit future interchange with a third-party connecting carrier.

CWRR certifies that its projected annual revenues as a result of the transaction will not exceed \$5 million and will not result in the creation of a Class I or Class II rail carrier. Under 49 CFR 1150.32(b), a change in operator exemption requires that notice be given to shippers. CWRR certifies that it has provided notice of the proposed change in operator to the shippers on the Line.

The transaction may be consummated on or after March 30, 2022, the effective date of the exemption (30 days after the verified notice was filed).

If the verified notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the effectiveness of the exemption. Petitions for stay must be filed no later than March 23, 2022 (at least seven days before the exemption becomes effective).

All pleadings, referring to Docket No. FD 36592, should be filed with the Surface Transportation Board via e-filing on the Board's website. In addition, a copy of each pleading must be served on CWRR's representative, Robert A. Wimbish, Fletcher & Sippel LLC, 29 North Wacker Drive, Suite 800, Chicago, IL 60606-3208.

According to CWRR, this action is categorically excluded from historic preservation reporting requirements under 49 CFR 1105.8(b) and from environmental reporting requirements under 49 CFR 1105.6(c).

Board decisions and notices are available at [www.stb.gov](http://www.stb.gov).

Decided: March 10, 2022.

By the Board, Scott M. Zimmerman, Acting Director, Office of Proceedings.

**Kenyatta Clay,**

*Clearance Clerk.*

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